

**VIRGINIA RECYCLING MARKETS DEVELOPMENT COUNCIL
DECEMBER 6, 2007**



**10:00 AM
DEQ Piedmont Office
Glen Allen, VA**

FINAL ADOPTED MINUTES

1. Welcome and Introductions:

Tom Smith, RMDC Chair, called the meeting to order at 10:05 A.M. and welcomed the members of the Virginia Recycling Markets Development Council and members of the public to the meeting. He announced that quorum of appointed members was present and asked attendees to identify themselves. Those who were present for some or all of the meeting are noted below:

RMDC	Representing	Absent RMDC	
Richard Lerner	Metal Industry	Stephen Thompson	Aluminum
Michael Benedetto	Paper Industry	Bernard Harris	Waste Industry
Tom Smith-Chair	VACO	John Kline	Tires
Georgiana Ball	VDGS	William Vehrs	VDDBA
Michael Ward	Oil Industry	Chip Goyette	Urban PDC
Brian Vickers- (potential member)	Glass Industry	Open	Rural PDC
Robert Broom	Composting Industry		
Jimmy Sisson	Recycling		
Sean Kumar	Public At Large		
William Bailey	VDOT		
Eric Fidler	Electronics		
Christine McCoy	VML		
Philip Abraham,	Plastics Industry		
Steve Coe	VDEQ		

Visitors/guests

Dennis Grubb	Schnabel Engineering
Chris McQuade	Schnabel Engineering
Jim Langmeir	Capitol Fiber
Stephanie Papps	JLARC
Kate Sicola	Co. of Fairfax
Ed Hollos	Resource International
Jerry Sealy	DEQ

2. Approval of Agenda and Minutes

The Chair asked the committee members to review the meeting agenda. No objections were raised so the proposed agenda was accepted. Minutes from the September 13, 2007 meeting were reviewed. A motion to approve those minutes was made by Mr. Abraham, seconded by Mr. Lerner, and approved by the Council.

3. Old Business

Review Draft Letters:

A letter from Secretary Bryant in response to a letter from Chairman Smith was circulated. The letter from Chairman Smith urged the Governor to support the federal Senate Bill 1587, the Recycling Investment Saves Energy Act, (RISE) which provides special depreciation allowance for reuse and recycling property and tax exempt financing for recycling equipment. The response letter indicated general support by the Governor for recycling equipment credits. The Council then considered a letter to the Governor urging extension of the Virginia tire tax credit beyond July, 2008. A suggestion was made to send a copy of the letter to the appropriate committee chairs. Steve Coe (DEQ) offered to provide that information. A motion to approve the draft letter was made by Mr. Lerner, seconded by Mr. Benedetto, and approved by Council.

Update on JLARC Recycling Study

Chairman Smith noted that Stephanie Papps with JLARC was present and asked her to update the group on JLARC recycling study. She indicated that work had begun by way of interviews and data source work and that a special team at JLARC had been formed to carry out the work. The report recording date has been shifted from June to September of 2008 according to Ms. Papps and she indicated interviews with appropriate individuals, agencies, and organizations would continue to develop background information.

.Discussion turned to the survey described by Chip Goyette which targets local government officials through the "Survey Monkey" service. Council members discussed the desire to have the survey assist as background for the JLARC efforts.

Reports from Local Government Assistance Subcommittee, Tax Credit Legislation Subcommittee:

Chairman Smith noted that the Local Government Subcommittee leader, Chip Goyette, was changing jobs but that he still had plans to complete the survey which was discussed at the September meeting. The Tax Credit Subcommittee headed up by Mr. Benedetto, reported consideration of a recommendation to extend the recycling equipment tax credit to non-stationary or moveable equipment. A lengthy discussion ensued as to the

determination of what “processing” equipment is and qualifies for the credit. (balers, grinders, pugmills, trucks, etc.) Mr. Sisson noted that when the tax credit is applied for, the state Tax Department investigates the particular equipment to determine if it does or not. Mr. Coe noted that DEQ reviews the application in that regard as well. Mr. Abraham suggested that the fiscal impact of what credits are awarded now should be determined before asking for extensions to broader equipment categories and that this session would not be an appropriate time to seek any tax credit add-ons due to the pressure on the state budget.

Chairman Smith suggested that DEQ contact the appropriate tax credit inspectors with both that agency and the Tax Department to determine what guidelines they use to make their determination. Mr. Coe agreed to follow-up on that question and report back. Some discussion took place on the concept of tax credits for set-aside space or rooms in buildings where recycling takes place, but there were no high expectations among Council members that that would be available anytime soon.

4. New Business

DEQ 2006 Recycling Report update

Mr. Coe presented handouts and a color-coded map from the report for 2006. An overall recycling rate of 38.4 percent was reported and only 10 localities did not meet the state recycling standards. One locality failed to meet its required 25% rate and 9 localities failed to meet their lesser 15% rate. Mr. Broom noted that it would be helpful to see what localities among the Planning District Commission reports are still below the required percentages even though the PDC as a whole meets the standard. Mr. Coe noted that regionalization had been promoted through the years for efficiency and convenience to localities and to encourage their recycling efforts as part of a regional group. It was also noted that any PDC should be able to provide information as to what the percentage recycling rate is for any of its member localities if they were asked. Mr. Abraham noted that the information the state accumulates through the current reporting process does provide helpful information as to the overall recycling efforts in the Commonwealth.

Some discussions took place as the materials that are going into landfills and the variation of different markets for some commodities over others. Ms. McCoy raised the question as to whether “bans” on certain commodities going into landfills might be appropriate to trigger market incentives. Mr. Lerner noted that by doing so you may be creating artificial markets as a result and a state should be cautious in creating that kind of scenario.

Regulatory update:

Mr. Coe reported that the state regulations to follow the state law change allowing certain rural localities a 15% recycling rate had been approved.

Mr. Smith indicated he had a conflict and could not attend the planned December 12 meeting of the Virginia Waste Management Board. Since they usually ask for an update on the activities of the Council, Mr. Smith asked for other members to attend in his place. Tentatively, Mr. Sisson and Ms. McCoy expected to attend the meeting.

5. Presentations:

Brian Vickers, VRMDC member representing the Glass Packaging Institute made a presentation to the group. He reviewed the number of plants for containers and culling around the US and discussed the flow of glass recycling in Virginia. He also reviewed the new North Carolina law effective in 2008 that requires recycling in bars and restaurants. Copies of the presentation can be obtained from Mr. Vickers.

Dennis Grubbs, Schnabel Engineering, made a presentation to the group on how the Virginia Department of Transportation has approved and can now use synthetic aggregates by crushed glass mixtures into their road projects. He also reviewed a number of examples of projects for other road-building and facility designs where the crushed glass aggregates could replace stones for a lesser cost and lower transportation costs as well. Copies of his presentation are available upon request.

6. Public Comment/Adjournment

Kate Scolia announced upcoming events sponsored by the Virginia Recycling Association.

The meeting adjourned at 1:45 PM. The next meeting will be held on Thursday, March 6, 2008 at 10:00 AM at the Virginia DEQ Piedmont Regional Office.